

Withdrawing an Adjustment or Appeal

GENERAL INFORMATION

Why should a school withdraw an adjustment and/or appeal?

At various stages of the adjustment/appeal process, a school should evaluate whether it is useful to continue with an adjustment/appeal. After reviewing the relevant adjustment/appeal material, a school should withdraw its adjustment/appeal if it would not reduce the school's cohort default rate(s) below any significant threshold(s) or the school would be unable to demonstrate that it meets one of the exceptional mitigating circumstances criteria.



Note

If a school is subject to initial loss of eligibility to participate in the Federal Family Education Loan (FFEL) Program and/or William D. Ford Federal Direct Loan (Direct Loan) Program, and the school's adjustment/appeal of that loss is unsuccessful, **the school will be liable for certain costs** associated with FFEL Program loans certified and delivered and Direct Loan Program loans originated and disbursed by the school. A school's period of liability with regard to these costs begins 30 calendar days after the school receives notice that it is subject to initial loss of eligibility to participate in the FFEL Program and/or Direct Loan Program. The period of liability ends upon the earlier of the withdrawal of the school's adjustment/appeal, the resolution of the school's adjustment/appeal, or the 45th calendar day after the date the school submitted its completed adjustment/appeal to the Secretary for review. **Consequently, a school should withdraw its adjustment/appeal as soon as it determines that the adjustment/appeal will be unsuccessful.**

Q. If a school withdraws its adjustment/appeal, will the Department return the adjustment/appeal materials the school sent?

A. Yes, the Department will acknowledge the school's withdrawal, in writing, and return the school's adjustment/appeal materials.

TIMING AND SUBMITTING

What are the time frames and procedures for withdrawing an adjustment/appeal?

A school can withdraw its adjustment/appeal up until the point at which the U.S. Department of Education (Department) issues a decision on the adjustment/appeal.

Step 1: Prior to submitting an adjustment/appeal to the Department, decide if the adjustment/appeal will, by itself, or in combination with other adjustments/appeals, reduce the school's cohort default rate(s) below any significant thresholds or demonstrate that the school meets one of the established exceptional mitigating circumstances criteria.

Example: After reviewing the responses from all of the entities that responded to its erroneous data allegations, Electrical Institute determined that there were not any errors in its fiscal year (FY) 1998 official cohort default rate data, and its 27.2 percent official cohort default rate was accurate.



Note

Please note that since an exceptional mitigating circumstances appeal does not alter a school's cohort default rate, a school's decision to withdraw its exceptional mitigating circumstances appeal should be based on whether or not the independent auditor can attest to the school's assertions that it meets the exceptional mitigating circumstances criteria.

Step 2: If the school's adjustment/appeal(s) will not reduce its cohort default rate(s) below any significant thresholds, or will not demonstrate that the school meets one of the established exceptional mitigating circumstances criteria, notify the Department using the address on page 332 that the school wishes to withdraw its adjustment/appeal and, if applicable, simultaneously send a copy of the withdrawal letter to each entity that responded to the school's request(s).

Example: Electrical Institute wrote the Department that it was withdrawing its FY 1998 erroneous data appeal and simultaneously sent a copy of the withdrawal letter to all of the entities that responded to the school's erroneous data allegations.

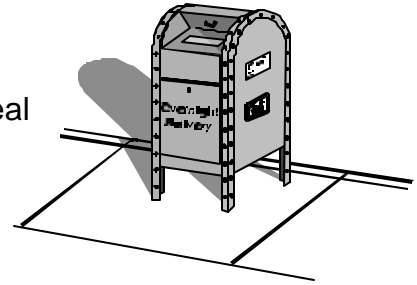
Please refer to the Sample Withdrawing an Adjustment/Appeal LETTER on page 333.



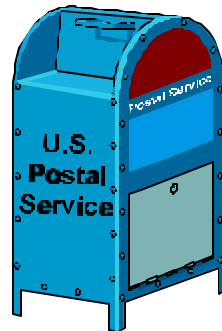
An adjustment/appeal is withdrawn in its entirety, not on an agency-by-agency or servicer-by-servicer basis.

If sent by commercial overnight mail/courier delivery the withdrawal letter should be sent to:

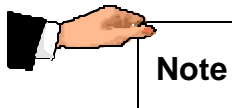
U.S. Department of Education
Default Management Division
ATTN: Withdrawing An Adjustment/Appeal
Portals Building, Room 6300
1250 Maryland Avenue, SW
Washington, DC 20024



If sent by U.S. Postal Service mail the withdrawal letter should be sent to:



U.S. Department of Education
Default Management Division
ATTN: Withdrawing An Adjustment/Appeal
Portals Building, Room 6300
400 Maryland Avenue, SW
Washington, DC 20202-5353



The Department will not accept any adjustment/appeal correspondence by facsimile (fax) or e-mail.

Sample Withdrawing An Adjustment/Appeal **LETTER**



Electrical Institute

1212 Wedgewood Lane
Leonardtown, Wisconsin 12345-6789
(123) 456-7890

November 6, 2000

Sample Letter

U.S. Department of Education
Default Management Division
ATTN: Withdrawing an
Erroneous Data Appeal
Portals Building, Room 6300
400 Maryland Avenue, S.W.
Washington, DC 20202-5353

OPE ID#: 000030

Subject: Withdrawing an FY 1998 Erroneous Data Appeal

Dear Default Management Division:

Electrical Institute, **OPE ID#** 000030, is withdrawing its FY 1998 appeal based on allegations of erroneous data.

The school has no other adjustments/appeals pending with the Department for review.

Thank you for your consideration.

Sincerely,

Stephanie Simms

Stephanie Simms, President
Electrical Institute

cc: State Guaranty Agency

